

STATE CONTROLLER'S OFFICE  
PERSONNEL/PAYROLL SERVICES DIVISION  
P. O. BOX 942850  
Sacramento, CA 94250-5878

DATE: March 19, 2012

PAYROLL LETTER #12-006

TO: All Agencies/Campuses in the Uniform State Payroll System

FROM: Lisa Crowe, Chief  
Personnel/Payroll Services Division

RE: **TWO PERCENT SOCIAL SECURITY TAX CUT EXTENDED THROUGH THE END OF 2012**

On February 22, 2012, the President signed into law the Middle Class Tax Relief and Job Creation Act of 2012 (Tax Relief Act of 2012) (H.R. Bill 3630). The Tax Relief Act of 2012 extends the reduction in the social security tax rate paid by employees beyond February 29, 2012 (see Payroll Letter #11-023 regarding this ending date). Thus, the employee social security rate remains at 4.2% for wages paid through December 31, 2012, in accordance with the Tax Relief Act of 2012. Employers continue to pay the full 6.2% rate for their portion of the social security tax.

A subsequent Payroll Letter will be issued regarding the conclusion or extension of the tax rate reduction beyond December 31, 2012. For assistance with payroll related issues, agencies and campuses can contact the Customer Contact Center at (916) 372-7200 with your question. For a diagram of the Customer Contact Center call routing please go to [http://www.sco.ca.gov/Files-PPSD/SCO\\_Customer\\_Call\\_Center\\_Tree.pdf](http://www.sco.ca.gov/Files-PPSD/SCO_Customer_Call_Center_Tree.pdf).

LC: JD: TSS